

Tax Information for Small Businesses

Construction Employment Taxes Instructor Guide

Introduction

- This guide provides Reference Material
- Handout Package Information
- Examples (Problems & Answers)

Reference Material

- Publication 15 & 15A
- 2002 U S Master Tax Guide, Paragraph 2601-2663
- Examples & Exhibits based on 2002 wage bases & rates; Update to reflect current year information

Hand-Out Package

- Publication 15 & 15A
- The Small Business Resource Guide (PUB 3207)
- Publication 3700 and 3693
- EFTPS and E-File: Form 9779 and Pub 3989
- Current Year Forms: W2, W3, W4, W5, W9, SS4, SS8, 1096, 1099-MISC, 8109, 941 with schedule B, and 940EZ
- Copy of Slide 6 & 7 (info to complete Forms 941 & 940EZ)

Sheetrock Inc Payroll Info

Pay Date: 10/4

Gross Wages: \$30,025

Social Security Withheld (Employer must match): \$1,861.55

Medicare Withheld (Employer must match): \$435.36

Income Tax Withheld: \$5,980

AEIC Payment: \$45

Pay Date: 10/18

Gross Wages: \$29,826

Social Security Withheld (Employer must match): \$1,849.12

Medicare Withheld (Employer must match): \$432.48

Income Tax Withheld: \$5,726

AEIC Payment: \$36

Pay Date: 11/1
Gross Wages: \$27,500
Social Security Withheld (Employer must match): \$1,705.00
Medicare Withheld (Employer must match): \$398.75
Income Tax Withheld: \$5,335
AEIC Payment: \$28

Pay Date: 11/15
Gross Wages: \$28,845
Social Security Withheld (Employer must match): \$1,788.39
Medicare Withheld (Employer must match): \$5418.2
Income Tax Withheld: \$5,576
AEIC Payment: \$14

Pay Date: 11/29
Gross Wages: \$26,214
Social Security Withheld (Employer must match): \$1,625.27
Medicare Withheld (Employer must match): \$380.10
Income Tax Withheld: \$5,433
AEIC Payment: \$20

Pay Date: 12/13
Gross Wages: \$30,025
Social Security Withheld (Employer must match): \$1,861.55
Medicare Withheld (Employer must match): \$435.36
Income Tax Withheld: \$5,980
AEIC Payment: \$45

Pay Date: 12/27
Gross Wages: \$30,025
Social Security Withheld (Employer must match): \$1,861.55
Medicare Withheld (Employer must match): \$435.36
Income Tax Withheld: \$5,980
AEIC Payment: \$45

Pay Date Totals
Gross Wages: \$202,460
Social Security Withheld (Employer must match): \$12,552.43
Medicare Withheld (Employer must match): \$2,935.66
Income Tax Withheld: \$40,010
AEIC Payment: \$233

FUTA TAX INFO

Employee: J Hammer
1st Quarter: \$5,600

2nd Quarter: \$4,800
3rd Quarter: \$5,600
4th Quarter: \$4,800
Total: \$20,800

Employee: T Saw
1st Quarter: \$5,600
2nd Quarter: \$4,800
3rd Quarter: \$5,600
4th Quarter: \$4,800
Total: \$20,800

Employee: P Nails
1st Quarter: \$3,675
2nd Quarter: \$3,150
3rd Quarter: \$3,675
4th Quarter: \$3,150
Total: \$3,650

Total: \$55,250
Excess over \$700: \$-21,000
Final Total: \$34,250

Thank You!!!